

ESTIMATED COST OF THE AGREEMENT BETWEEN THE STATE OF MINNESOTA AND THE MINNESOTA NURSES ASSOCIATION (MNA)

July 1, 2019 – June 30, 2021

I. Plan Unit Composition

Total Number of Employees: 846

II. Biennial Summary of Costs (All Agencies and All Funds)

Employee Costs	Biennial Base	Biennial New Money
Salaries	\$146,712,126	\$7,222,116
FICA and Retirement	\$25,628,924	\$1,261,620
Insurance	\$29,072,134	\$2,282,696
TOTAL	\$201,413,184	\$10,766,432

The Hubinger Number is **5.35%**, which represents the Biennial New Money as a percentage of the Biennial Base at the beginning of Fiscal Year 2020.

The Merriam Number is **9.23%**, which represents the growth in the Biennial Base over the term of the contract.

III. Biennial Base and New Costs (By Agency and Funding Source)

Agency & Funding Source	Biennial Base	Biennial Base + New Costs
Corrections Dept	\$25,921,460	\$27,307,077
General	\$25,921,460	\$27,307,077
Department of Human Services	\$101,395,119	\$106,815,140
General	\$94,718,220	\$99,781,331
Other	\$6,676,899	\$7,033,809
Health Department	\$42,131,175	\$44,383,274
General	\$1,344,919	\$1,416,811
Other	\$40,786,256	\$42,966,464
Mn St Colleges & Universities	\$3,399,069	\$3,580,764
Other	\$3,399,069	\$3,580,764
Mn State Academies	\$663,551	\$699,021
General	\$663,551	\$699,021

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Agency & Funding Source	Biennial Base	Biennial Base + New Costs
Nursing Board	\$1,903,875	\$2,005,646
Other	\$1,903,875	\$2,005,646
Ombud Mental Hlth & Dev Dis	\$451,524	\$475,660
General	\$451,524	\$475,660
Perpich Ctr For Arts Education	\$324,564	\$341,914
General	\$161,248	\$169,868
Other	\$163,316	\$172,046
Veterans Affairs Dept	\$25,222,846	\$26,571,119
Other	\$25,222,846	\$26,571,119
Grand Total	\$201,413,184	\$212,179,616

IV. Estimated Additional Salary and Non-Wage Costs (By Agency)

Agency	Additional Salary	Additional Non-Wage
Corrections Dept	\$929,471	\$456,146
Department of Human Services	\$3,635,747	\$1,784,274
Health Department	\$1,510,707	\$741,392
MN St Colleges & Universities	\$121,881	\$59,814
Mn State Academies	\$23,793	\$11,677
Nursing Board	\$68,268	\$33,503
Ombud Mental Hlth & Dev Dis	\$16,190	\$7,946
Perpich Ctr For Arts Education	\$11,638	\$5,711
Veterans Affairs Dept	\$904,421	\$443,852
Grand Total	\$7,222,116	\$3,544,316

SUMMARY OF WAGE AND INSURANCE PROVISIONS IN THE AGREEMENT BETWEEN THE STATE OF MINNESOTA AND THE MINNESOTA NURSES ASSOCIATION (MNA)

July 1, 2019 – June 30, 2021

Wages

Two and one-quarter percent (2.25%) general wage increase effective July 1, 2019. Employees whose rate of pay is at or over the new maximum rate are not eligible for this increase.

Two and one-half percent (2.5%) general wage increase effective July 1, 2020. All employees are eligible for this wage increase.

Progression step increases averaging 4.0% are available to employees in both fiscal years on the employee's anniversary date. Employees at the maximum rate of their salary range are not eligible for progression step increases. Approximately 46% of employees are eligible for progression step increases during the fiscal year.

Insurance

1. Medical plan: Effective January 1, 2020

a. Annual first dollar deductibles will increase from:

\$150/\$300 to \$250/\$500 in Cost Level 1
\$250/\$500 to \$400/\$800 in Cost Level 2
\$550/\$1,100 to \$750/\$1,500 in Cost Level 3
\$1,250/\$2,500 to \$1,500/\$3,000 in Cost Level 4

b. Member cost-sharing for office visits will increase from:

\$25/\$30 to \$30/\$35 in Cost Level 1
\$30/\$35 to \$35/\$40 in Cost Level 2
\$60/\$65 to \$65/\$70 in Cost Level 3
\$80/\$85 to \$85/\$90 in Cost Level 4

c. Member cost-sharing for Lab, Pathology and X-ray will increase from:

5% coinsurance to 10% coinsurance in Cost Level 1 and Cost Level 2

d. Member cost-sharing for MRI/CT Scans will increase from:

5% coinsurance to 10% coinsurance in Cost Level 1
10% coinsurance to 15% coinsurance in Cost Level 2
20% coinsurance to 25% coinsurance in Cost Level 3
25% coinsurance to 30% coinsurance in Cost Level 4

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- e. The plan maximum out-of-pocket expense (excluding prescriptions) will increase from:
 - \$1,200/\$2,400 to \$1,700/\$3,400 in Cost Level 1 and Cost Level 2
 - \$1,600/\$3,200 to \$2,400/\$4,800 in Cost Level 3
 - \$2,600/\$5,200 to \$3,600/\$7,200 in Cost Level 4
- f. Member cost-sharing for prescription drugs will increase from:
 - \$14/\$25/\$50 to \$18/\$30/\$55 for all Cost Levels
- g. The plan maximum out-of-pocket expense for prescription drugs will increase from:
 - \$800/\$1,600 to \$1,050/\$2,100 for all Cost Levels
- 2. Dental plan:
 - a. Effective January 1, 2020, the following benefit changes will take place:
 - i. Preventive Services will be excluded from the annual \$2,000 maximum
 - ii. The lifetime maximum for Orthodontia benefits will increase from \$2,400 to \$3,000